

**CHINA'S 11TH NATIONAL PEOPLE'S
CONGRESS: WHAT'S NEW?**

BO Zhiyue & CHEN Gang

EAI Background Brief No. 374

Date of Publication: 19 March 2008

Executive Summary

Known as “*lianghui*” (两会), the plenary sessions of China’s parliament—the National People’s Congress (NPC) and the Chinese People’s Political Consultative Conference (CPPCC)—were held in Beijing in March 2008.

As well expected, Xi Jinping (习近平), No. 6 Standing Member of the Politburo, replaced Zeng Qinghong (曾庆红) as vice president of the PRC, further consolidating his position as the heir apparent to Hu Jintao. Li Keqiang (李克强), No. 7 Standing Member of the Politburo, was elected vice premier and is poised to succeed Premier Wen Jiabao in five years.

The State Council was almost completely reshuffled. Except for Premier Wen Jiabao and Vice Premier Hui Liangyu (回良玉), other top leaders were all new. In addition to Li Keqiang and Hui Liangyu, vice premiers also include Zhang Dejiang (张德江) (former party secretary of Guangdong) and Wang Qishan (王岐山) (former mayor of Beijing).

The state councilors were completely replaced. New state councilors include Liu Yandong (刘延东) (Politburo member and former vice chairwoman of the CPPCC and director of the United Front Department of the CCP), Liang Guanglie (梁光烈) (former chief of general staff of the People’s Liberation Army), Ma Kai (马凯) (former chairman of the National Development and Reform Commission), Meng Jianzhu (孟建柱) (former party secretary of Jiangxi and currently minister of Public Security), and Dai Bingguo (戴秉国) (executive vice minister of Foreign Affairs).

Besides the personnel reshuffling, another major move of the NPC session in 2008 was to discuss and approve the “super-ministries” reform (大部制改革), which aims to merge ministries and commissions with similar functions and overlapping powers into larger-sized ministries.

The administration streamlining will definitely take years to be fully completed; the first step of the reform is, through department merger, to establish five “super ministries,” namely, the Ministry of Industry and Information, the Ministry of Environmental Protection, the Ministry of Transport, the Ministry of Human Resources and Social Welfare, and the Ministry of Housing and Urban-Rural Construction.

In the annual government work report to the NPC, Premier Wen Jiabao targeted an 8% GDP growth in 2008 and planned to keep CPI within 4.8%. Wen, however, cautioned at the post-NPC press conference that the worsening global financial turmoil arising from the US subprime crisis could make Beijing’s task of reining in China’s rising inflation for 2008 much more challenging.

When China announced an increase in defense budget by 17.6% in 2008, much higher than its annual GDP growth, Chinese President Hu Jintao told delegates that “Taiwan independence” activities have become “the biggest menace” to national sovereignty and territorial integrity.

The unexpected unrest in Tibet and its adjacent provinces as well as the well-co-ordinated anti-China demonstrations by Tibetan exiles overseas was deliberately timed and staged by what Wen Jiabao called “The Dalai Lama Clique” to draw attention to the alleged Chinese cultural genocide in Tibet. Beijing is noticeably disturbed by the political fallout of the existing Tibet crisis, which if not properly handled, could well turn out to be a major public relations setback for China in 2008.

With the impending Olympic Games, China faces a huge public relations challenge in projecting its best image to the world. Besides Tibet, other issues that could potentially mar China’s image include the air quality, food safety, human rights, media freedom as well as Beijing’s policy towards Dafur and Taiwan. Various interests groups and individuals are already capitalizing on the Games to pressure China to concede grounds on these issues. Beijing is thus bracing itself for more challenges and crises ahead of the Olympics.